

UNITED STATES DEPARTMENT OF THE INTERIOR

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MINERALS MANAGEMENT SERVICE

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OCS RENEWABLE ENERGY AND ALTERNATIVE
USE PROGRAMMATIC EIS

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PUBLIC SCOPING MEETING

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Atlanta Marriott Century Center
2000 Century Boulevard NE
Atlanta, Georgia

Tuesday,
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The above-entitled matter came on for public
meeting, pursuant to notice, at 6:00 p.m.

PANEL MEMBERS

MARK ROUSE, MARY BOATMAN, CHARLES SMITH, JOHN
GASPER -Facilitator

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1 P R O C E E D I N G S

2 SCOPING COMMENTS

3 MR. GASPER: Sam Shelton from the Georgia
4 Institute of Technology.

5 MR. SHELTON: Thank you. Excuse me.
6 Appreciate the opportunity to make some brief
7 comments and appreciate your folks coming down here
8 and taking your time and expense to receive the
9 input.

10 This is a little unfortunate timing with
11 the major wind -- we have a wind conference going on
12 right now. So all the people that I'm aware of in
13 this area that really does the work is up there. But
14 as director of the Strategic Energy Institute that
15 has wind programs under it, I kind of became the
16 default person to come make some comments.

17 The -- we got involved as -- technology
18 assessment of various energy technologies that can
19 help meet the U.S. energy needs about two years ago
20 through a National Science Foundation Grant.

21 And one of the things that we found from
22 that that was totally surprising to us is the wind
23 resource that's off the coast of Georgia. It turns
24 out that we -- there's long-term wind data available
25 out there at 160 foot of altitude above the ocean up

1 at the altitude you'd like to have it. And there's
2 also -- it's about six years of data at that
3 location.

4 There's another one. The location is
5 about 60 feet up above the ocean off the coast --
6 that we have eleven years of wind data. So we were
7 able to do a quick assessment of what the
8 technology -- offshore wind technology might be out
9 there and how -- what the economics might be.

10 I have spent quite a bit of time in
11 Europe and became familiar and visited some of the
12 offshore wind sites in Europe. They've had long
13 experience with it since about 1992. And as a matter
14 of fact, they had a -- did a study of all of the 21
15 or 22 offshore wind farms over there and the
16 economics and the designs and things about two years
17 ago.

18 So we then engaged Southern company,
19 because Georgia Tech is not going to commercialize
20 any technologies. And as in the Strategic Energy
21 Institute, our mission is to develop in high-impact
22 near-term energy technologies to help the U.S.
23 through some of the crises and problems and
24 challenges that we -- we're facing now and probably
25 in the next five or ten years.

1 So we engaged Southern Company and have
2 had a joint study that's going on right now studying
3 the offshore wind in Georgia. So we have looked at
4 this topic and looked at the permitting, along with
5 the environmental impacts and the -- some of the
6 economics and some of the technologies and feel
7 like -- that there's a good potential there.

8 We are not about wind energy by itself.
9 We believe strongly that we need a diverse energy
10 source in the U.S. And wind, we think, is -- was
11 shown on one of the slides here -- is -- one --
12 offshore wind is one thing that can make a
13 significant contribution. And I think we'll -- I
14 think it needs to be pursued in a rational and
15 logical way.

16 And I also believe that MMS is the proper
17 venue for the permitting. I totally agree with your
18 having taken that responsibility and Congress giving
19 you that responsibility, because given the scope of
20 your other efforts and coordinating with the efforts
21 in permitting other uses out in the ocean, I think
22 you're certainly the total -- the appropriate one.

23 We're a little disheartened with the
24 schedule with developing the process, but that's --
25 just comes about with the transition from the Corps

1 of Engineers being the lead agency to the middle-
2 management services that we understand. But we
3 certainly think it's -- you're the right venue and
4 right agency to carry out the permitting on offshore
5 wind in general.

6 We believe that all the technologies, all
7 the energy sources that we feel that we need to be
8 developing, need to compete with each other on an
9 economic basis and in a free marketplace.

10 As I tell people that call me up and come
11 to me and talk about a lot of new technologies that
12 they have or ideas they have -- that fortunately or
13 unfortunately, depending on what your position is, we
14 operate in a free enterprise free market system in
15 this country, and the cheapest solution will be wind.

16 And wind can compete in many areas,
17 offshore, I am convinced, if we just give it a chance
18 to compete on an equal level.

19 In that regard, I'm -- I think that we
20 ought to be careful about trying to get as much
21 revenue off of leases and royalties from wind energy
22 offshore as we can -- kind of disturb some of us in
23 the wind area when you talk about how much money you
24 bring in from other leases and royalties.

25 I think that's a totally different

1 situation there. When you give a permit to drill for
2 oil and gas offshore, the value of that oil and gas
3 versus the cost for them to get it out is very high.

4 You know, it -- on -- typically may cost them 20
5 percent of the value of the oil or gas to extract it
6 once they have the right to extract it from the
7 ocean.

8 Whereas in wind, you know, it's --
9 whatever the cost is to extract it is probably 80
10 percent of what the value is or -- and it's marginal.

11 There's no other costs.

12 So it's -- I think the royalties and
13 leases need to be looked at totally -- in a totally
14 different way from oil and gas royalties because of
15 the value of the product versus the cost to extract
16 the product and the energy out of the ocean. So I
17 think -- need to be careful about that -- those
18 royalty and lease economic issues.

19 Another thing. I mentioned that we're
20 fortunate in that we have wind data offshore. But
21 even in our case, we would like to have anemometers
22 before somebody makes a major investment to build a
23 wind farm.

24 And therefore, there needs to be some
25 methodology and some means to be able to get

1 anemometers up there and do a very good assessment of
2 the wind resources before somebody will put in a few
3 hundred million dollars in order to extract the
4 energy from that wind.

5 So anemometers -- anemometer platforms
6 needs to be a significant issue, I think, that has to
7 be considered. Because without good wind data very
8 close or at the site where a person is going to build
9 the farm -- is almost a necessity to make that kind
10 of major investment.

11 Another quick comment is that I firmly
12 believe that offshore wind farms can coexist with
13 other uses out there, with recreational boating, with
14 fishing, with shipping, and with oil and gas
15 drilling.

16 For instance, with oil and gas drilling,
17 it's -- with the drilling technology and horizontal
18 drilling technology, which probably isn't even
19 needed, you can certainly get under any area that a
20 wind farm might be over. So I don't see that oil and
21 gas drilling cannot coexist with wind farms -- and
22 all the other uses out there.

23 Obviously, shipping -- you've got to be
24 careful about the shipping lanes. And that's an
25 obvious one and common sense. But I don't think

1 there are any real major issues. The ocean is a big
2 place, and that's what nice about it. You don't have
3 any physical obstacles. The obstacles are things
4 like shipping lanes that you can easily move around
5 and take care of, preventing any impact there.

6 The environmental impact. You can't do
7 anything without having some impact on the
8 environment. But I think we -- when -- we're talking
9 about a power plant here.

10 And I think when we're looking at
11 environmental impact, somehow you need to keep it in
12 perspective that -- you need to compare it with other
13 alternative power plants that -- technologies, coal-
14 fired power plants, natural-gas-fired power plants,
15 nuclear power plants.

16 If you don't build the wind farm, you're
17 going to build one of those power plants in order to
18 use the electricity. And so I think we need to keep
19 that in perspective, that you can't just say or
20 shouldn't say that we cannot have any environmental
21 impact out there in the ocean.

22 Because certainly the -- if you don't
23 give a permit because you want to have zero
24 environmental impact, then you're going to have --
25 you're going to build as an alternative one of the

1 other technologies that will have significant
2 environmental impact. So I think that relative
3 impact needs to be considered in some way, shape or
4 form to keep things in perspective.

5 And the -- and along the lines that I
6 just mentioned about -- is a free marketplace. I
7 really think you need to let the markets work.
8 Regarding what regions that you put out for
9 permitting, I think that -- let the markets decide
10 that.

11 If nobody is proposing putting a wind
12 farm at a region, there's no reason to put it out for
13 bids, so to speak. But if somebody does make an
14 application for a region, then open it up and let
15 others come in, if they choose to.

16 If nobody else comes in, then -- and
17 someone is willing to develop that region and invest
18 a few hundred million dollars in a wind farm, then I
19 think that's totally appropriate. But I think you
20 need to let the marketplace decide what regions you
21 put out there for permitting and -- rather than your
22 picking them without letting the markets work.

23 And just in summary, you know, this is an
24 incredibly important topic. And of course, I'm
25 biased.

1 But Secretary of State Condaleeza Rice
2 just mentioned a couple weeks ago in testimony before
3 Congress that she has been shocked -- the word was
4 shocked -- at how energy has impacted her experience
5 in diplomacy for the U.S. Every entity she talks to
6 overseas, energy somehow impacts it and our use of
7 energy and the whole energy world picture.

8 And so we're talking about a very
9 important topic here, and it's not just energy to --
10 for our light bulbs that doesn't have an impact on
11 everything. We've got to seriously look at our
12 energy picture. And offshore wind is certainly one
13 of the technologies that needs to be seriously looked
14 at.

15 And I -- being a technologist, I get a
16 little dismayed that we essentially -- that we are
17 behind the curve on almost every technology. We
18 certainly are behind it in wind, as was shown -- that
19 Europe is way ahead of us. Siemens and Vestas
20 overseas are the major wind turbine manufacturers.

21 I can go across the board. Hybrid
22 vehicle technologies. Japan has got the lead in
23 that. Ford is licensing hybrid technology from
24 Japan. General Motors is licensing turbo diesel
25 technology from Peugeot in France. On and on. And I

1 could go on and on in how we are lagging in energy
2 technology.

3 And I hope that the permitting process
4 can be expedited here so that we can take advantage
5 of this incredible source with common sense -- and
6 looking at it in comparison to other electrical power
7 sources -- and make good decisions in that regard.
8 So thank you.

9 MR. GASPER: Thank you.

10 Our next speaker on the list is Mary Carr
11 from Southern Alliance for Clean Energy.

12 MS. CARR: Good evening. My name is Mary
13 Carr, and I'm with the Southern Alliance for Clean
14 Energy. We are a nonprofit organization that
15 promotes responsible energy choices that ensure
16 clean, safe and healthy communities throughout the
17 southeast.

18 We have been in existence for more than
19 22 years, have members throughout the coastal region,
20 and have offices in Georgia, North Carolina and
21 Tennessee.

22 Our public comments today will solely
23 address the MMS programmatic EIS rule-making for
24 offshore wind energy. However, before I comment on
25 the EIS, I would like to preface by asking MMS to

1 better engage the wind community when it plans these
2 type of public meetings.

3 As Sam Shelton was saying, there is a
4 Wind Power 2006 conference going on right now. And I
5 know that my coworker, Rita Kilpatrick, is there, as
6 well as some Georgia Tech individuals and other
7 people in the southeast with the wind community.

8 Also, it is important to recognize that
9 wind energy is among our nation's most
10 environmentally benign energy supply. At a time when
11 strategically problematic energy resources such as
12 fossil-based or nuclear fuels are given preferred
13 treatment for expedited permitting, it is essentially
14 that wind energy be provided the priority permitting
15 support it deserves to help create a more strategic
16 national energy independence.

17 Today I would like to provide MMS with
18 five main points to consider when drafting the
19 programmatic EIS rules for offshore wind. Our
20 organization has reviewed comments submitted
21 previously to MMS by Georgia Institute of Technology
22 and various interested wind developers and believes
23 those comments are thoughtful with regard to opening
24 opportunities for wind-energy development with
25 attention to sound siting practices.

1 And so I'm just going to quickly say the
2 five main points and then go over them. First,
3 permitting for wind-resource assessment pilot
4 projects should be expedited. Second, when MMS
5 drafts the rules for EIS development, they should not
6 undermine any existing laws in place that protect
7 wildlife habitat.

8 Third, the EIS permitting process should
9 be streamlined to ensure a timely process for
10 developing offshore wind. Fourth, the EIS should
11 include benefits as well as impacts of developing an
12 offshore wind farm. And finally, the MMS should
13 recognize the financial and regulatory differences
14 associated with offshore wind and offshore oil and
15 gas.

16 So first, permitting for wind-resource
17 assessment pilot projects should be expedited, such
18 as the installment of meteorological stations for
19 data collecting -- should be expedited.

20 MMS should require pilot projects of a
21 certain scale to include an environmental assessment
22 similar to the environmental assessment guidelines
23 used by the U.S. Army Corps of Engineers, rather than
24 require an EIS. The full EIS does not need to be
25 conducted for installing offshore data-collecting

1 devices, such as meteorological stations, that are
2 minimally intrusive.

3 Expediting and streamlining the
4 permitting process for data-collecting projects will
5 reduce costs for wind-energy development. It will
6 also ensure that adequate energy production is
7 developed in a timely manner to meet consumer demand.

8 Second, when MMS drafts the rules for EIS
9 development, they should not undermine any existing
10 laws in place that protect wildlife habitat. When
11 siting for development of an offshore wind project,
12 the EIS should keep in mind existing laws such as the
13 Marine or Mammal Protection Act, the National
14 Environmental Policy Act, the Endangered Species Act,
15 and the Coastal Zone Management Act.

16 Offshore wind can provide a great benefit
17 for our natural environment without undermining
18 coastal and rain habitats when proper planning and
19 siting occurs.

20 Third, the EIS permitting process should
21 be streamlined to ensure a timely process for
22 developing offshore wind. The permitting process
23 should be conducted simultaneously with the EIS
24 studies to help streamline the wind-development
25 process.

1 A preliminary EIS study, including data
2 collected from the pilot project or meteorological
3 stations, should be provided in order to receive a
4 construction and operation permit for the wind
5 project. The preliminary EIS should show that the
6 site chosen would have minimum environmental
7 detriment while keeping construction, operation and
8 maintenance costs to the lowest price available.

9 The data collected from the pilot project
10 should include avian and aquatic migratory paths,
11 marine calving seasons and sites, visual impacts, and
12 cover any other impacts the construction operation
13 phases of the project may cause.

14 The environmental benefits of developing
15 wind should also be included in a preliminary EIS
16 study. A more detailed study should be conducted
17 during construction and first-year operation of the
18 site to provide information on the real-life impacts
19 of the wind site.

20 The EIS process should be open for public
21 comment, as is standard. Monitoring and mitigation
22 should be done by federal agencies that directly work
23 with marine life and habitat protection, such as the
24 National Oceanic and Atmospheric Administration and
25 the Natural Marine Fishery Service.

1 Funding for monitoring mitigation
2 enforcement should be provided by federal and state
3 funds. However, funding for preliminary and more
4 detailed EIS studies should be required by developers
5 with federal financial support.

6 Fourth, the EIS should include benefits
7 as well as impacts of developing an offshore wind
8 farm. Although offshore wind can have an impact on
9 avian migratory paths and marine life, there are also
10 many environmental benefits of developing offshore
11 wind.

12 The EIS should include the benefits
13 offshore-wind platforms have on creating artificial
14 reefs and habitat for fish-breeding grounds. The EIS
15 should also include the air-emissions and water-
16 conserving benefits for developing wind.

17 Calculations should be done to show the
18 amount of energy displaced by traditional baseline
19 fossil-fuel energy generation. The emission benefits
20 to be reported should include carbon dioxide,
21 nitrogen oxides, mercury, and sulfur dioxide emission
22 reductions.

23 Finally, the MMS should recognize the
24 financial and regulatory differences associated with
25 offshore wind and offshore oil and gas. The MMS

1 should keep in mind that while offshore oil and gas
2 facilities are typically taxed heavily based on the
3 difficulty in resource extraction, large
4 environmental impact and complex regulatory
5 framework, offshore wind does not have the same
6 impediments and should not be taxed in the same
7 manner.

8 Offshore wind has fewer environmental
9 impacts, typically only during the construction and
10 dismantling stages, and does not need to be regulated
11 as heavily as oil and gas.

12 The financial hurdles must be removed in
13 order for wind development to begin in this new
14 energy arena. Wind is a different type of resource
15 than what MMS is used to managing and must be treated
16 differently. Thank you. That's it.

17 MR. GASPER: Thank you. Do you have a
18 copy of those comments you might want to submit?

19 MS. CARR: Yes.

20 MR. GASPER: Okay. Great.

21 Okay. Is there anybody else in the
22 audience who might want to make a spoken comment?

23 MR. RIGAS: Good evening. My name is
24 Nick Rigas. I'm the director of the South Carolina
25 Institute for Energy Studies at Clemson University.

1 And I just wanted to just reiterate a couple of
2 issues when you're considering the EIS.

3 The first thing is I wanted to make sure
4 that the environmental-impact study, again, has -- it
5 was stated anytime you do anything to the
6 environment, there's going to be an impact -- but
7 that we look at it more at a macro level, in other
8 words, taking into account the positives too of
9 offsetting a BTU of energy produced using offshore
10 wind versus something -- a BTU being produced by a
11 fossil fuel or nuclear energy.

12 I want to -- also any economic -- look --
13 in terms of the communities. There will be benefits,
14 obviously, to the coastal communities, but there's
15 also benefits to the nation as a whole which should
16 be considered, since this -- we are looking at
17 federal lands.

18 When it comes to the lease of the lands
19 as well, since we're not talking about mineral
20 extraction here -- we are talking about the
21 harnessing the wind, which really nobody has a right
22 to.

23 It would be good if we could take a --
24 take that into account in terms of the leases that'll
25 be charged for the development of these offshore wind

1 farms to ensure that wind remains competitive with
2 other types of energy that is being produced
3 throughout the United States.

4 So basically, those were the three
5 comments I just wanted to reiterate. Thank you.

6 MR. GASPER: Thank you.

7 Anybody else?

8 MR. BRENTZEL: My name is David Brentzel.

9 I work for the Air Force -- the regional
10 environmental coordinator for the southeast. And I
11 would hope that when energy -- alternate energy uses
12 are planned, that the Air Force would be involved
13 early on in the planning phase.

14 And I would like to submit for the
15 record -- there are maps of military training routes
16 throughout the U.S., and I have a copy of the pages
17 here where you can access those publications.

18 That's all I have to say. I just want to
19 be -- that the Air Force would be involved early. We
20 certainly support energy independence and think it's
21 a great thing and couldn't happen soon enough.

22 MR. GASPER: Thank you.

23 Okay. Anybody else?

24 (No response.)

25 MR. GASPER: All right. If not -- I

1 guess we'll note it's five after 7:00. And that's
2 the end of the comment period. Thanks for coming.

3 (Whereupon, the meeting was concluded.)

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